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SUBJECT: GOVERNANCE, WOMEN'S ISSUES, AND IRI'S EFFORTS TO  
GAIN A FOOTHOLD

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1B. 04 VIENTIANE 1286

11. (SBU) Summary: Ms. Johanna Kao of the International Republican Institute (IRI) and embassy officers met with government officials, women's groups, and non-governmental organizations (NGOs) in Laos from February 4 - 7. NGO representatives informed Ms. Kao of the difficult operating environment and offered advice. The Lao Women's Union (LWU) Shelter for Victims of Domestic Violence and Human Trafficking described the shelter's role in advising women of their legal rights, as well as providing shelter, counseling, and vocational training. Lao women leaders indicated that the GoL needs assistance in building the capacity of women and suggested that IRI consider a project that addresses capacity needs. A United Nations Development Program (UNDP) representative explained UNDP's efforts to promote good governance and legal reform and also discussed the extreme power of Lao provincial governors. He suggested a potential avenue for IRI to provide some training assistance to the National Assembly (NA) within the context of UNDP's NA assistance program. IRI plans to prepare a project proposal to submit to the Government of Laos (GoL) during a future visit. End Summary.

IRI's Efforts to Gain a Foothold

12. (U) The Indonesia Country Director of the International Republican Institute (IRI), Ms. Johanna Kao, visited Laos February 4 - 7. Since she is based in the region, Ms. Kao has been tasked by IRI to develop an IRI program for Laos. The trip was her second in the past six months and was intended to build key relationships with the hope of receiving Government of Laos (GoL) approval for an IRI assistance project. While IRI has not yet developed a project proposal specifically for Laos, Ms. Kao sought to encourage Lao participation in IRI's regional networking project entitled the "women's democracy network." During this visit, Ms. Kao and PolOff met with government officials, women's organizations, as well as NGOs and international organizations.

The NGO Coordination Network

13. (SBU) Ms. Kao met with the NGO Coordination Network's NGO Focal Point in Laos, a position set up by NGOs in 2004 to assist in coordinating their activities. The network was originally started by five NGOs and now has 62 member NGOs. Member dues fund both the NGO Focal Point position and the Coordination Network's web site [www.directoryofngos.org](http://www.directoryofngos.org). The network is run by a board of directors that rotates every two

years and has six sector working groups that meet every six weeks. The six working groups include: health, education, governance, rural development and agriculture, unexploded ordnance (UXO), and private sector development. While the Ministry of Foreign Affairs (MFA) originally did not approve the network and the Focal Point position, the MFA recently provided a work visa to the latest person to serve as the NGO Focal Point. The Coordination Network, besides coordinating the efforts of NGOs already in Laos, is also regarded as an information source for NGOs that wish to operate in Laos but are not sure how to navigate the approval process.

#### NGO Work in Laos

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¶4. (SBU) During Ms. Kao's meeting with the Ministry of Foreign Affairs' Department of International Organizations (IO), Deputy Director General Phonesavanh Chanthavilay noted that there are currently 139 NGOs registered with the IO Department in Laos. In 2006, total approved projects were valued over \$40 million USD. On average, he noted, NGOs provide approximately \$50 - \$60 million USD in assistance to Laos each year. He explained that the IO Department's role in reviewing and approving project proposals was identified in Prime Minister's Decree 71 which was issued in 1998.

¶5. (SBU) Demonstrating his familiarity with IRI's 2004 proposal to assist with village elections in Laos, which was not approved by the GoL, Phonesavanh said election assistance is not needed (Refs A and B). He suggested that IRI look at other areas of potential assistance, such as promotion of women's participation in government and leadership positions or other projects that would fall under the GoL's poverty reduction plan such as health, education, agriculture, communications, and infrastructure. He invited IRI to develop a project proposal for the IO Department to review.

¶6. (SBU) During a lunch meeting with several NGOs working on human trafficking, gender equality, and unexploded ordnance-related education projects, Ms. Kao was advised that IRI should avoid working with national-level line ministries as much as possible. They suggested that, when possible, it is easiest to work with provincial-level departments. They also suggested that both women's participation as well as projects that raise awareness of citizen's rights under Lao law are areas of need.

#### Vientiane Women's Business Association

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¶7. (SBU) The Vientiane Women's Business Association (VWBA) was established in 2001 and is headed by a nine-member board with 84 members. The VWBA focuses on seven business sectors: import/export; precious metals trade; hospitality services; textiles, garments, and handicrafts; private schools; construction; and markets/trade fairs. Ms. Somchanh Singthabouth, President of the VWBA, and several other board members informed Ms. Kao that, while the VWBA is an independent organization, its establishment required the approval of the Vientiane branch of the Lao Women's Union (LWU). All 84 members of the VWBA are successful business owners. The VWBA has received some Canadian and International Labor Organization (ILO) assistance for training but generally has not attracted significant donor attention. Ms. Kao encouraged the board members to consider participating in an upcoming 2007 women's conference to be held in Jakarta, Indonesia, and promised to provide more information on IRI's Women's Democracy Network project.

#### Lao Women's Union Shelter

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¶8. (SBU) During a visit to the LWU Shelter for Victims of Domestic Abuse and Human Trafficking, shelter representative Ms. Bounleua informed Ms. Kao that since its establishment in 2005 the shelter has provided more than 1,600 counseling sessions to more than 120 people. The primary function of the facility is to provide legal, social, and health counseling. Counseling is often related to divorce, property rights, and dealing with husbands who have mistresses. The LWU recently expanded its counseling services and now covers Vientiane Municipality as well as Champassak, Oudomsay,

Savannakhet, and Vientiane Provinces.

¶ 19. (SBU) The shelter's secondary function is to assist victims of human trafficking and domestic violence by providing lodging, counseling, and short-term vocational training. The shelter has ten staff members, all of whom have received some training in Thailand. Cases of domestic violence and human trafficking are referred to the shelter by police, hospitals, and LWU contacts. Human trafficking victims generally remain at the shelter for four to six months. In total, 22 victims of domestic violence and human trafficking were assisted at the shelter in 2006, half of whom were trafficking victims.

¶ 10. (SBU) In regard to trafficking in persons (TIP), Ms. Bounleua said there are gaps in enforcement of the Law on the Protection of Women at all levels - police, prosecutors, courts, and government officials in general. In an effort to address these gaps, she said the LWU is in the process of planning seminars for each of these groups in 2007. She noted that the Asia Foundation will provide support for the training of law enforcement officials. Additionally, she said the LWU would support TIP awareness-raising in 2007 through the use of radio and television broadcasts in the Lao, Hmong, and Khmu languages.

#### LWU Gender Research Information and Development Center

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¶ 11. (U) On February 6, Ms. Kao and PolOff met with Ms. Bouachanh Syhanath, the LWU's Acting Director of the Cabinet and Director of the Gender Research and Development Center. She informed us that the LWU has played an active role in Laos since 1955, claims more than one million members, and has 80 central-level employees, as well as 5 - 10 at each provincial level office, 3 - 4 at each district level office, and one representative in most major villages. (Note: There are roughly 11,000 villages in Laos. End note). The LWU receives monthly reports from each provincial-level office and is the primary authority for dissemination of information and laws related to women's issues within Laos. The LWU hold an annual Congress and also meets every three months with line ministries.

¶ 12. (U) Ms. Bouachanh explained that the LWU's new Gender Research Information and Development Center (GRID) was

originally established in 1997. Small GRID libraries have been set up in Vientiane Municipality as well as Luang Prabang, Sayabourly, Savannakhet, and Xieng Khouang Provinces. The Center's primary objective is to support policy-making that is relevant to women. GRID also works with the National Statistics Center to improve data collection on women in Laos.

#### National Coalition for the Advancement of Women

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¶ 13. (SBU) Ms. Kao and the Ambassador met with Ms. Chansoda Phonethip of the National Coalition for the Advancement of Women (NCAW) on February 6. She explained that the NCAW was established in 2004 to assist the GoL in formulating and reviewing policies that are seen as related to gender equality and the elimination of discrimination against women. The Coalition is part of the Prime Minister's Office. The Coalition has developed a National Strategy for the Advancement of Women for 2006 - 2010 that consists of five target areas: poverty reduction, education, health, empowerment, and strengthening the national machinery for the protection of women's rights. NCAW Deputy Director Ms. Chansoda Phonethip told Ms. Kao that the greatest challenge is the lack of capacity among Lao women, indicating that very few women are capable of filling high-level central government positions. She also explained that advancement of women is not yet reflected in the national budget but is expected to be in the 2008 budget.

#### National Assembly Meeting

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¶ 14. (SBU) On February 6, Ms. Kao, the Deputy Chief of

Mission (DCM), and PolOff met with Dr. Souvanpheng Boupphanouvong, the NA's Vice Chair of the Committee on Economic Planning and Finance. She informed Ms. Kao that women currently make up 25 percent of NA members, 29 of 115 members. The current Vice President of the NA is a woman, and a Parliamentary Women's Caucus was established during the Fifth National Assembly (about three years ago) with the task of monitoring the Socio-Economic Development Plan and other issues of specific concern to women. Souvanpheng noted that most female NA members came from the health, education, and social sciences sectors and lack knowledge of law, finance, economics, and leadership. She added that Laos is implementing the 1995 Beijing Declaration to recognize the status of women and promote women's participation in all aspects of government and society. In order to meet expectations regarding female participation, she noted that the GoL "orders the number of women who should run" for NA seats.

¶15. (SBU) Referring to the new Budget Law that was passed by the NA in December 2006, Souvanpheng indicated that the law clearly establishes the oversight role of the NA. She also commented that greater responsibilities resulting from the law would require greater capacity on the part of NA members.

The DCM informed Souvanpheng that the Embassy's Public Diplomacy Section has access to many materials that NA members may find useful. Souvanpheng brought up the issue of gender budgeting as has been used in South Africa and indicated that she would be interested in receiving additional details regarding South Africa's use of gender budgeting, and the DCM promised to follow up.

#### UNDP and Governance

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¶16. (SBU) The United Nations Development Program (UNDP) has provided significant assistance to the GoL in an effort to support good governance and legal reform in Laos. UNDP's Assistant Resident Coordinator informed Ms. Kao that UNDP is currently conducting a service delivery survey in the provinces of Salavan, Luang Prabang, and Xieng Khouang. The survey will focus on health, education, and agriculture-related services. He also noted that the GoL released its Strategic Plan on Governance in November 2006, which he described as a good template for donors interested in offering assistance. The plan covers public service, public participation, rule of law, and financial management and is aligned with the GoL's five-year socio-economic development plan. He pointed out that the governance plan includes mention of civil service organizations, a topic that has previously been taboo to the GoL. However, in accordance with the plan, the Prime Minister's Office is reportedly working on a piece of legislation that will address the role of civil service organizations in Laos.

¶17. (SBU) One significant issue of concern in Laos, according to the UNDP representative, is the extreme power held by provincial governors. He opined that almost all provincial governors are more powerful than cabinet ministers, and said those in revenue "surplus provinces" are particularly powerful, surplus provinces being those that do not rely on Vientiane for financial support. Currently, Champassak and Savannakhet are the most flush with cash with Luang Prabang quickly joining the club due to its increasing tourist-driven revenues. He explained that cabinet ministers, because they lack power over the provincial administrations, are unable or unwilling to force surplus provinces to meet their obligation to remit money to the central government for redistribution to deficit provinces. Therefore, deficit provinces are starving for funding to provide even the most basic government services.

¶18. (SBU) Describing UNDP's assistance to the NA, he informed Ms. Kao that the UNDP works with the NA at the committee level to provide capacity-building assistance based on specific committee requests. UNDP is also allowed two full days to work with the entire NA each session, four days per year. During these four days, UNDP brings in guest speakers and provides training on specific topics. The

project is co-financed by the European Union (EU) Commission.

At the committee level, UNDP has provided training on economics, finance, and legal analysis. Given the recently passed Budget Law, which gives the NA greater oversight powers, capacity building for the NA is now of increased importance, he said. He also informed Ms. Kao that UNDP would be receptive to a proposal if IRI wished to provide a guest speaker or training session during one of the upcoming NA sessions.

**¶19.** (SBU) Lastly, the UNDP representative informed Ms. Kao that a new Human Rights Center is being established within the Prime Minister's Office under the National Social Sciences Institute. The Prime Minister's Decree announcing the establishment of the Center is being translated into English and is expected to be released soon. How the Center will operate remains unclear, but it is expected to research both human rights and issues of ethnicity.

Comment

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**¶20.** (SBU) The Embassy is supportive of IRI's efforts to develop an assistance proposal for Laos. Assistance to increase the capacity of women leaders as well as to promote the increased participation of women in general here is of vital importance. Both areas receive insufficient donor funding. The UNDP representative's comments regarding the power of provincial governors in Laos demonstrates a serious flaw in the relationship between the central government and the provinces. This issue seriously affects the government's ability to meet basic service needs in so-called deficit provinces as well as its ability to effectuate reforms in the provinces. The new Budget Law is designed to overhaul the current ineffective system, but whether the provinces will acquiesce in its full implementation is unclear. This makes an IRI program to enhance the NA's capacity to supervise financial issues even more valuable.

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